

Supplement A

Historical Revisions for China in 1,000 480 lb Bales

MY \ Month:	Consumption		Imports		a; Exports		Ending Stocks		Production
	June	July	June	July	June	July	June	July	No Change
1993/1994	21,400	21,300	808	808	749	749	5,251	5,351	17,200
1994/1995	20,200	20,000	4,060	4,060	183	183	8,828	9,128	19,900
1995/1996	19,700	19,400	3,045	3,045	21	21	14,052	14,652	21,900
1996/1997	20,300	19,950	3,613	3,613	10	10	16,655	17,605	19,300
1997/1998	19,600	19,150	1,834	1,834	34	34	19,955	21,355	21,100
1998/1999	19,200	18,700	359	359	681	681	21,133	23,033	20,700
1999/2000	22,200	21,300	117	117	1,692	1,692	14,958	17,758	17,600
2000/2001	23,500	23,250	241	241	448	448	11,551	14,601	20,300
2001/2002	24,500	25,000	350	250	200	250	11,601	14,001	24,400

This month's estimates include historical revisions in China's domestic cotton consumption and ending stocks estimates beginning in 1993/94. Recent information about China's current stock levels indicates that the previous consumption estimates were overstated. The government of China has long treated information on cotton stocks as a state secret, but in recent years, sources in China have been publishing estimates which are higher than USDA's. These higher estimates are corroborated by the following factors: (1) the large volume of 1998- and prior-crop cotton sold on the China National Cotton Exchange's auction market; (2) the ability of the industry to sustain increased levels of yarn production in recent months without significant imports; and (3) recent sales of cotton for export.

Consumption estimates are reduced for the 1993/94 through 2000/01 crops, but the 2001/02 consumption estimate is raised due to recent high levels of yarn output. Consumption is forecast to rise further in 2002/03, reducing ending stocks to 10.0 million bales, despite increased imports. The stocks-use ratio of 38 percent forecast for 2002/03 is the lowest since 1993/94.